

June 29, 2016

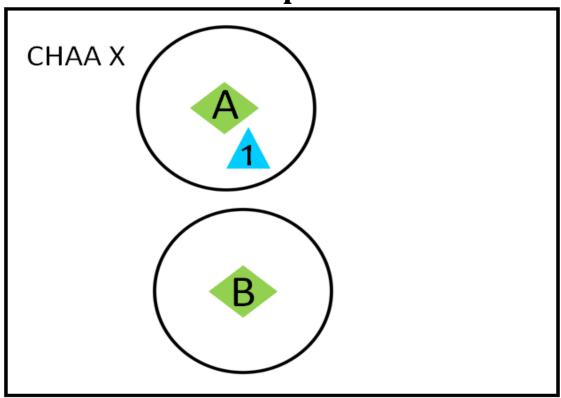
2016 Allocation Examples

*Examples not to scale

Example 1 – Criteria $\underline{\text{R9-17-303(B)(2)}}$ if the Department identifies CHAA X is available for allocation.

Applications A and B are submitted with proposed addresses in CHAA X. There are 5,000 registry identification cards issued to qualifying patients who reside within 10 miles of the proposed addresses of both Applicant A and B. An operating dispensary exists within 10 miles of the proposed address of Applicant A, therefore, the number of qualifying patients for Applicant A is divided by 2. Applicant A now has 2,500 qualifying patients and Applicant B has 5,000 qualifying patients. Applicant B is given priority.

Example 1

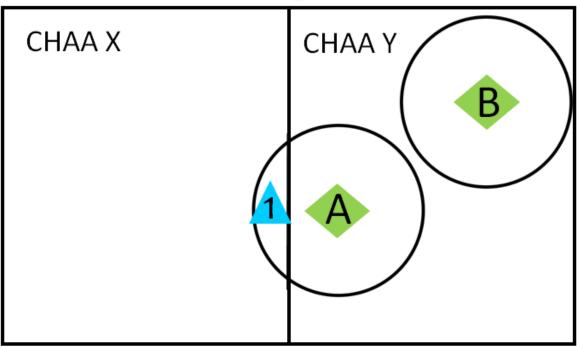


Douglas A. Ducey | Governor Cara M. Christ, MD, MS | Director

Example 2 – Criteria R9-17-303(B)(2) if the Department identifies CHAA Y is available for allocation.

Same as example 3 but clarifies operating dispensaries in neighboring CHAAs are also taken into account. Qualifying patients and operating dispensaries are used in determining priority, even if they are located in a different CHAA from the applicant.

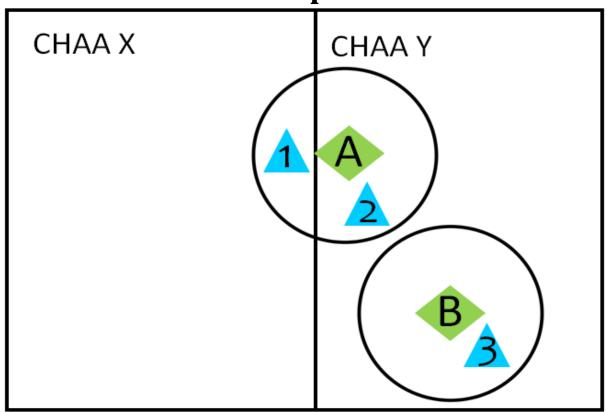
Example 2



Example 3 – Criteria R9-17-303(B)(2) if the Department identifies CHAA Y is available for allocation.

Applications A and B are submitted with proposed addresses in CHAA Y. There are 6,000 registry identification cards issued to qualifying patients who reside within 10 miles of the proposed addresses of both Applicants A and B. Two operating dispensaries exist within 10 miles of the proposed address of Applicant A, therefore, the number of qualifying patients for Applicant A is divided by 3. An operating dispensary exists within 10 miles of the proposed address of Applicant B, therefore, the number of qualifying patients for Applicant B is divided by 2. Applicant A now has 2,000 qualifying patients and Applicant B has 3,000 qualifying patients. Applicant B is given priority. Qualifying patients and operating dispensaries not located within ten miles of the applicant are not used in determining the score.

Example 3



Example 4 – Criteria $\underline{R9-17-303(B)(4)}$ if the Department determines there is a tie or a margin of 0.1% or less in the scores generated by applying the criteria in subsection (B).

Applications A, B, C, and D are submitted with proposed addresses in CHAA X. There are 2,000 registry identification cards issued to qualifying patients who reside within 10 miles of the proposed addresses of both Applicants A and B. One operating dispensary exists within 10 miles of the proposed address of both Applicants A and B; therefore, the number of qualifying patients for them is divided by 2, meaning their score is 1,000. There are 999 registry identification cards issued to qualifying patients who reside within 10 miles of the proposed address of Applicant C and 500 registry identification cards issued to qualifying patients who reside within 10 miles of the proposed address of Applicant D. Applicants A and B are tied with the most qualifying patients, and a random selection will be necessary to allocate the dispensary registration certificate for this CHAA. Because Applicant C's score is within 0.1 percent of the highest score (999 = 0.1% of 1,000), C also will participate in the random selection. Applicant D, with a score of only 500, will not participate.

Example 4

